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Whither Middle Management? Empowering Interface and the Failure of Organizational Change

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Abstract

While there has been a distinct evolution in how middle managers participate in change, from resistors to facilitators, they often remain ineffective due to executive constraints. Emphasizing the crucial role middle managers play in shaping systems during change, a lack of empowerment to fill an interstitial role is presented as a central source of change failure. A qualitative case study theoretically underpinned by a practical rationality approach of a failed change initiative at a large financial services firm is presented to explore the interstitial nature of middle managers. Findings indicate that this failure can be attributed to the evolution of closed executive and rank-and-file systems, leaving middle managers powerless and resulting in the firm being bought-out. Pulling from this case and research on middle managers, a key contribution of this study is the presentation of empowering interface as a focal lens through which micro and macro gaps in change can be captured and addressed. Empowering interface reveals how standard lists of variables depicted as undermining change (i.e. poor climate, involvement, communication) are often manifestations of broader systemic problems. Embracing an interstitial role allows middle managers to establish a shared discourse, promoting cascading empowerment, opening systems, and cultivating successful change. Concrete steps are presented detailing how empowering interface can be used by middle managers to bridge closed systems and save organizational changes. Using the derived model, practical implications are provided for middle managers wishing to develop empowering interface, executives designing functional change, and scholars striving to improve change success.

Keywords

Middle management, failure, organizational change, empowerment

Introduction

Despite an increase in academic and practitioner awareness of the importance of organizational change (Kotter, 1995), many initiatives still fail to yield the increase in profits and performance promised (Caldwell, 2003). Even with dozens of change models developed and countless changes implemented, in a study of 210 North American businesses Smith (2002) found that 75% of initiatives fail to make an impact. More concerning, failure to change has been found as a primary source of overall organizational failure (Dixon and Day, 2010; Cataldo, *et al.*, 2009). While once a convenient scapegoat for the high rate of change failure, middle managers' involvement in change has shifted (Hope, 2010), with several models now presenting them as central contributors to organizational change (Balogun and Johnson, 2004; Caldwell, 2003; Floyd and Wooldridge, 1994). Yet, despite this re-evaluation, little has been done to understand this new conception of how a highly active middle manager fits into a change environment (Smith, 2002).

To illuminate the connection between middle managers and change failure, this article begins by revisiting the change literature, exploring why failure pervades. Pulling from open system theory, many failed changes are shown to arise from closed systems. As raised by Katz and Kahn (1978), closed systems occur when groups in a firm isolate themselves, limiting communication with external networks, and often adopting an "us versus them" mentality. If closed systems evolve between executive and rank-and-file employees, middle managers can end up in an interstitial position. While power can be derived from this position (Floyd and Wooldridge, 1994), it is depicted here as a tenuous state, entailing high benefits but equally high risks. We argue that middle managers must be empowered to harness the power of this role, despite inherent complexity (Burnes, 2005) and conflict (Woodward and Hendry, 2004). If middle managers are not empowered to fill this interstitial role, we argue that changes will continue to struggle and fail.

An in-depth case study follows, presenting one of the largest financial service firms in the USA. In this case, a major culture change was implemented to alleviate declining performance. Despite awareness across all levels of employees that this change was crucial for organizational survival, the change still failed resulting in the firm being bought-out.

Investigating the struggle inherent in assuming an interstitial role, this case study highlights the consequences of disempowerment during change. Middle manager disempowerment is shown to

be a factor that can lead to disparate change discourses, cynicism, resistance, and failure. While middle manager empowerment can be depicted as merely reflecting the truism that involvement bolsters change receptivity, echoing responsible restructuring (Cascio, 2002), this paper builds on responsible restructuring by exploring the systemic rationale for why such involvement is not always possible. Indeed, Cascio and Wynn (2004) show that high involvement change is often fraught with problems and Nutt (2007) finds that even responsible restructuring using bottom-up participation generates inconsistent results. Using systems, we link organizational variables (i.e. vision, strategy) to the individual efforts that underlie responsible restructuring (Cascio, 2002), showing how systems can facilitate and constrain involvement. Expanding beyond the macro (i.e. culture, climate) and micro variables (i.e. motivation, values) typically depicted in change, systems are presented as another level of complexity that must be accounted for (Nutt, 2007). To capture the influence of systems influence on change, a unique model is derived focusing on a concept we dub “empowering interface”. Empowering interface is created by middle managers who broach systems to promote shared discourse, cascading empowerment throughout the firm and fostering increased involvement. Building on Goodman and Rousseau’s (2004) assertion that linkages are crucial for responsible restructuring, empowering interface captures how systems influence the individual linkages that can, in turn, be cultivated to shape systems.

Using the model of empowering interface, we detail how empowerment is generated by middle managers, a process that has been largely unexplored (Lincoln, *et al.*, 2002). We also show how empowerment is both constrained by and shapes broader organizational systems. In so doing, we strive to capture the inherent complexity shaping, facilitating, and undermining change efforts (Nutt, 2007; Burnes, 2005). Practical conclusions are derived about how to cultivate empowering interface and how this concept can be used to shape systemic organizational change.

This article makes several important contributions. While middle managers can be seen as wielding upward influence, this article explores the role they play in unifying divergent systems (executive and rank-and-file). In particular, it reveals an unexplored construct (empowering interface) as a systemic source of change failure; augmenting the middle management literature (i.e. Hope, 2010; Luscher and Lewis, 2008; Floyd and Wooldridge, 1994) by enhancing understanding of the interstitial role that middle managers play during change. By localizing middle managers in broader systems, empowering interface is shown as an individual-level

variable that can influence and shape broader systems. The article also presents a highly relevant case study to investigate a variety of concrete situations where a lack of empowering interface was an important factor in the failure of an organizational change. Attached to this case-study is the use of a newly developed approach, practical rationality (Sandberg and Tsoukas, 2011), as a lens to reveal localized dysfunctional practices leading to breakdowns in established systems. Finally, this article contributes to practitioner literature by detailing specific and actionable steps for fostering empowering interface within an organization.

Theoretical Perspectives

Change as disparate intra-organizational movements

Firms often resort to claims of inertia or resistance to explain failing initiatives. Yet, these claims ignore the reality that many changes are poorly designed and implemented, leading to dysfunction rather than enhanced innovation and performance (Cascio, 2002). A struggle often exists in firms between designing tangible opportunities that can be implemented organization-wide and fostering change as an individual development process. This dichotomy is prevalent in change models, which Burke and Litwin (1992) have noted are often either overly macro or micro.

Macro models focus on executives, traditionally envisioned as change designers (Katz and Kahn, 1978) who are expected to facilitate change by designing structures, missions, cultures, strategies, climates, and protocols (Woodward and Hendry, 2004). Micro models are often associated with rank-and-file employees who approach change focused on making processes coincide with personal inclinations (Collins, 1999). Consequently, rank-and-file employees can be portrayed as oriented to micro needs, skills, motivation, practices, tasks, and values (Jaques, 1990). Based on the work of Burke and Litwin (1992), these macro and micro variables are defined below:

INSERT FIGURE 1 ABOUT HERE

A common source of blame for failed change is the process itself, especially when orchestrated by executives detached from daily practice (Cataldo, *et al.*, 2009). Often, executives design macro structures and protocols, but rank-and-file employees struggle to make such procedures actionable on a micro level (Dixon and Day, 2010). Other times, rank-and-file employees develop micro skills or practices, but executives are unaware of these local abilities and, hence, cannot incorporate them

on a macro level (Higgs and Rowland, 2010). Ineffective change can be conceptualized as arising from a lack of shared discourse, leading to isolated systems that generate transference issues across organizational levels (Senge, *et al.*, 1999). Changes can come from all levels of the firm, but to ensure long term sustainability a system-spanning discourse must arise that unites organizational levels (Brown and Coupland, 2005). The central question is: How can shared discourse be cultivated throughout the system? The answer lies in middle managers, as will be expanded below.

The rise of middle management

The polarization of micro and macro orientations pervades middle management literature. Even seminal studies, such as Floyd and Wooldridge's (1994) model of strategic change, are oriented to micro-processes (i.e., needs, skills, values). Consequently, studies of middle managers often focus on micro interactions at the expense of macro variables, exemplified by studies depicting macro variables as imposed on middle managers (Balogun and Johnson, 2004) or presenting macro variables as malleable only as a result of long-term micro-process aggregation (Luscher and Lewis, 2008). In contrast, macro studies often make an implicit assumption that middle managers merely react to the environment rather than shape it; depicting them as constrained by structures, missions, cultures, strategies, climate, and protocols (Dixon and Day, 2010).

A central finding about middle managers is that they must be empowered to facilitate successful change (Floyd and Wooldridge, 1994). Yet, this argument loses coherence as it remains unclear exactly what empowerment is (Gomez and Rosen, 2001). Relying on Collins' (1999) depiction of empowerment as an ongoing and fluid concept connected to involvement-enhancing discourse, we define empowerment during change as the fostering of shared discourse, promoting the cross-level ability to influence macro and micro variables. Empowerment is not housed in an act; rather, it is positively linked to a supportive and constructive environment (Gomez and Rosen, 2001). Middle managers transcend systemic constraints, cultivating a shared discourse to spread empowerment.

Middle managers are often depicted as empowered given their ability to indirectly influence macro-variables by championing ideas to executives (Floyd and Wooldridge, 1994). Yet, without executive support, middle managers are frequently portrayed as handcuffed to context (Higgs and Rowland, 2010). Given contextual constraints, middle managerial empowerment can entail using their relative freedom of discourse to merely reconcile rank-and-file micro-variables with a given

macro-context. For example, many studies appear to indicate that, in unfavourable contexts, middle managers only adjust how change is presented to rank-and-file employees (i.e. Smith, 2002; Ciampitt, *et al.*, 2000). Thus, middle managers shape executive discourse to enhance acceptability, but don't impact the system behind this discourse (Balogun & Johnson, 2004).

To explore the repercussions that arise from a lack of awareness about how to cultivate true middle management empowerment, the authors present a case study of a large USA financial services firm. This firm tried to implement a wide-ranging cultural change which failed largely due to systemic problems, ultimately resulting in the firm being bought-out.

The Study

To better understand the impact of middle managers' interstitial positioning and the debilitating impact of disempowerment, an in-depth case study was conducted at Unified Financial Services (UFS) - a pseudonym for one of the USA's largest financial services firms. UFS was a leading financial service provider, but its market share dwindled recently due to government industry deregulation and a decline in outside resources from a weakened economy. With fewer external resources and increased competition, the market became more cutthroat, generating pressure to create a "lean and mean" workforce by laying-off many middle managers, while encouraging survivors to expand their skills, knowledge, and efficiency (Cascio and Wynn, 2004).

UFS's market share was further eroded by a government inspection in the early 2000s that revealed unethical and unscrupulous activities, causing the involved regulatory agency to demand that work processes incorporate more accountability and monitoring. Fulfilling these regulations required UFS to provide evidence that departments were staffed by skilled professionals with relevant and timely training. UFS's eroded market share resulted in layoffs and disempowered employees, increasing instability, lessening UFS's reputation, and dissuading potential investors.

Given the decline in profitability and the increased need for highly competent employees, UFS initiated a complex organizational change to create a multi-level culture shift (across executives, middle managers, and rank-and-file employees) from an individualistic orientation focused on financial-gains to a community orientation focused on interpersonal growth. The primary means used to facilitate this shift was a change in the bonus scheme, shifting from monetary (i.e., raises

and bonuses) to developmental rewards (i.e., training and development). The removal of financial rewards ensured control of liquid assets, while a focus on development helped cultivate a lean-and-mean mindset to address governmental requirements. While the change eliminated direct financial rewards for high performers, it still used money as an indirect motivator by creating opportunities for employees to make them increasingly attractive to the external market.

UFS's executives quickly began implementing the change, rewriting the mission to influence a number of structures and protocols. During this process the surviving middle managers were not consulted, mirroring the scenario typically presented in the downsizing literature of insecure middle managers handcuffed to a fixed context (Cascio, 2002). With middle managers insecure about adopting an interstitial position, the executives and rank-and-file systems closed. As these closed systems became increasingly isolated, cross-level discourse shifted from minimal to none, undermining the initiative and general organizational adaptability (Detert and Trevino, 2010). Over time, UFS's closed systems entrenched themselves around valued variables. As a result, macro variables in the organization (mission, structures, and protocols) were changed, but rank-and-file employees would not alter their micro variables (skills, motivation, and needs).

While this intransigence was rarely made manifest through concrete conflict and vocalization throughout UFS's organizational system, negative feelings were openly voiced within closed systems about other levels. Indeed, withdrawal virtually eliminated cross-level communication. Such intransigence on all levels ended up scuttling the initiative, resulting in the change being abandoned, profitability continuing to decline, and UFS being bought-out. At this point extensive lay-offs and restructuring took place across the organization, essentially creating a new firm.

The Methods

Theoretical Approach

The method for this study is theoretically rooted in the practical rationality approach developed by Sandberg and Tsoukas (2011). Practical rationality argues that theoretical and conceptual findings become practically relevant by embracing the social interactions that undermine the establishment of absolute ideas. Integrating practical rationality involves capturing entwinement: the interaction between people and their surroundings (Sandberg and Tsoukas, 2011: 343). By incorporating entwinement, concepts and theories are derived from actual activities engaged by employees in-

situ. By exploring the real-world and then deriving concepts, practical rationality avoids the tendency of researchers to sacrifice applicability for broad generality (Weick, 2003). Practical rationality therefore explores the logic underlying particular practices; revealing theory underlying actual occurrences rather than deriving pima-facie theories to test in practice (Gherardi, 2000).

UFS can benefit from the practical rationality approach as unique concepts can be uncovered when breakdowns in relied-on systems occur (Sandberg and Tsoukas, 2011). As breakdowns vacillate between order and disorder, unique theories and concepts are revealed (Gherardi, 2000). Using practical rationality terminology, UFS is experiencing a first-order temporary breakdown due to thwarted expectations where employees are questioning their surroundings because of the realization that UFS is not meeting standards of excellence (Sandberg and Tsoukas, 2011). This breakdown is first order as it occurred naturally, rather than being manufactured by researchers. First-order temporary breakdowns are critical to explore as they stimulate employees to reflect on the organizations' macro variables, revealing relevant new theories and concepts.

Using practical rationality, knowledge is provided about potential solutions to real-world problems without explicitly arguing that one solution can solve everything (Gherardi, 2000). As a result, empowering interface is presented as A solution rather than THE solution. Practical rationality accepts the impact of awareness when uncovering situationally relevant theories and constructs; hence, it acknowledges the likelihood that relevant theories and concepts might not be suggested due to unawareness. By uncovering what individuals are aware of during breakdowns, what matters at that point in time is illuminated (Sandberg and Tsoukas, 2011). As awareness shifts, so does the criticality of theories and concepts. Thus, empowering interface is presented as a concept deemed relevant by employees and researchers at UFS during this change, but the meaning and relevance of this concept will evolve as entwined individuals interact with it (Weick, 2003).

Data Collection

The research design adopted is an in-depth single qualitative case study of a culture change taking place over twelve months (Yin, 2009). A case study approach was selected as it generates the depth of information needed to develop theories and models of change (Creswell, 2007). In terms of organizational access, the case was bound by data collected from September 2007 to 2008.

During this period, real-time, longitudinal data was gathered across organizational levels, allowing the authors to capture the evolving conceptualizations of change by all levels of employees.

Using Yin (2005) as a methodological guide, a three-pronged approach was adopted, triangulating direct observations, personal interviews, and archival data. Semi-structured interviews took place with seventy-five rank-and-file employees who partook in three conversations lasting from thirty to forty five minutes, followed by member checks. Seven middle managers participated in semi-structured interviews following the same protocol and two executives engaged in hour long semi-structured interviews at the beginning and end of the research. Interviews drew on descriptions of the change; actions performed by all levels of employees; reactions to change; variables impacted by the change; and ideas for improvements. Confidentiality and anonymity were emphasized prior to all interviews. Rank-and-file interviews were conducted individually, while middle manager and executive interviews were conducted with both researchers present and taking detailed notes. After all interviews were completed, the researchers met to compare data and debrief.

To further promote triangulation (Creswell, 2007), direct observations were conducted during multiple visits to UFS. During these visits the authors were initially shown how the change was being implemented by a middle manager. After introductions where the researchers stressed their independence from UFS, they circulated unsupervised, interacting informally with employees to uncover issues. Particular middle managers and rank-and-file employees were also shadowed over several dates during the change. Detailed notes were maintained by both researchers.

Access to archival documents was provided upon request and served as additional data. Archival data included press releases, popular-press articles, web-site notices, relevant e-mails, research articles about other initiatives at UFS, annual reports, and internal white papers. All archival data was examined from the beginning of the change until the firm was bought-out. The exploration of this data helped establish consistency between what was claimed by employees at various levels of UFS and what actually happened at the organization. Archival data was also used to detail how UFS was perceived by its external environment.

Data Analysis

After gathering data, the researchers began analysing the qualitative results (Miles and Huberman, 1994). Each researcher independently created a case study narrative from the data, which detailed UFS's history, previous changes, the introduction of this particular change, and its impact. After creating these independent narratives, the researchers met and developed a coherent single change narrative through the use of thick description (Yin, 2005). Following this peer review process, executives and middle managers inspected this narrative to ensure that neither researchers' biases nor their subjectivities impacted the accuracy of the data (Creswell, 2007). After a thorough discussion, it was agreed by all parties that the narrative was accurate.

The researchers then used open coding to independently reveal when and if instances of cross-level interaction took place. In particular, data was examined to see if all levels interacted or if middle managers assumed an interstitial position between the executive and rank-and-file systems. After coding the data, the researchers met to ensure that their assessments about the degree and type of interactions transpiring were similar. Upon finding that middle managers did occupy an interstitial position, the data was managed using NVIVO to reveal practices present in the middle manager level. Central practices included activities that the middle managers wanted to do, were afraid to do, and were not allowed to do. These practices were explored with an eye toward how they influenced and were influenced by the macro and micro concepts discussed above. Subsequently, the authors met to ensure the accuracy of the theories and constructs arising in practice (Sandberg and Tsoukas, 2011) and to explore consistency across the micro and macro variables. Additional themes that were uncovered in middle-manager practice included "selling" the change, disempowerment, cynicism, silence, transparency (or a lack thereof), and closed systems.

Executive and rank-and-file data was then explored to uncover if similar or unique practices existed in these levels. It was hoped that this exploration would uncover if there were different reactions to and means of coping with the change. Similarities and differences in practices were detailed. From here, micro and macro variables were integrated to uncover systemic similarities and differences. It was found that the dominant middle management themes held across the other levels, but the micro and macro constructs were often approached differently by executives versus the other levels, as will be discussed below. Again, this analysis was conducted independently by the researchers who met subsequently to ensure consistency and limit subjectivity.

After analyses, all executives, two middle managers, and several rank-and-file employees were presented with the results and asked to share their thoughts. Support for the results was obtained by all levels. During these meetings all levels of employees were encouraged to share any recent developments. As UFS had been bought-out between this time and when the study took place, it was important to gain post-hoc thoughts about what caused this extreme event. At the end of these conversations, researchers again walked around UFS to note any alterations that had occurred. During this period, employees were again encouraged to approach the researchers and share any final thoughts about the change or the general progression of UFS.

Case Study Findings

Micro and Macro Variables in the Change

Before moving on to a more systemic depiction of change and empowerment, it is important to provide some detail of practices engaged in by UFS employees as they relate to micro and macro variables. The below chart is presented to provide typical quotes across levels of the organization for the macro and micro variables raised above.

INSERT FIGURE 2 ABOUT HERE

As depicted in figure two, micro and macro variables both play a role in the practices employees engage in to deal with the ambivalence and resistance felt throughout UFS. While illuminating, these practices reflect constructs that have already been extensively detailed as sources of change failure. For example, practices have been shown to be negatively impacted by high complexity (Luscher and Lewis, 2008; Burnes, 2005), cultural contradictions (Burnes and James, 1995), cynicism (Reichers, *et al.*, 1997), instability (Dixon and Day, 2010), lack of agency (Caldwell, 2003), low levels of self-awareness (Higgs and Rowland, 2010), performance concerns (Burke and Litwin, 1992), poor communication (Brown and Coupland, 2005; Ciampitt, *et al.*, 2000), and questionable trust (Gomez and Rosen, 2001), among countless others.

Rather than revisit these practices, we take a step back to look at how they are interrelated through organizational systems. Echoing the previous concept of linkages (Goodman and Rousseau, 2004), systems both shape and are shaped by these variables. To capture the entwinement critical

for making change both successful and actionable, we explore how underdeveloped linkages compose elements of dysfunctional systems that play an often overlooked role in change failure.

Closed Executive Systems

While executives can be tempted to influence macro variables and hope employees internalize them, this does little to foster the discourse needed to prevent the creation of closed systems. For example, as indicated in the mission and strategy rows of figure two, executives in the closed UFS system assumed employees understood the importance of macro change. Thus, they implemented the initiative by reorienting the macro mission without consulting others not in their direct system.

Lacking explanation of how the change would reassure external investors and the government, non-executives were given little reason to incorporate the change into their daily practices, as depicted in the values row of figure two. Poor communication also underscores Katz and Kahn's (1978) closed systems, which often rely on non-environmental protocols to motivate action, an inclination that struggles to translate between systems, as seen in the motivation row of figure two. The belief that employees would just adjust was typified by an executive, "Really, [employees] just need to develop." Isolated from employees' concerns, executives pursued change undaunted by the ambivalence held by the rest of the workers, swiftly dismantling the bonus scheme without replacing it. As one executive stated, "Plain and simple, we need to change the culture."

While macro variables are a reasonable place to begin an initiative, it is naïve to assume macro changes will not impact micro needs, motivators, and values (Schwandt, 2008). Micro variables particularly impact rank-and-file and middle managers as they live with the change on a daily basis. With a lack of communication at UFS, micro issues did not penetrate the closed executive system. One executive typified this unawareness, stating "[Micro needs] are personal, so we are hands-off, allowing employees to develop as they see fit." Lacking discourse about micro-variables, rumours, false assumptions, and miscommunications spread, promoting feelings of disempowerment.

Closed Rank-and-File Systems

Rank-and-file frustration from a lack of involvement was exacerbated by layoffs, exacerbating feelings of disempowerment and causing these employees to withdraw into a closed system to protect their micro variables. Given the lack of information typical of closed systems (Katz and

Kahn, 1978), rank-and-file employees were ambivalent about this change designed to shift a reward scheme that had not only fulfilled their needs, but reinforced their values and confirmed their skills.

With micro-variables insulated in the rank-and-file system, UFS echoes Katz and Kahn's (1978) description of closed systems as striving to maintain control of unique resources. As mentioned above, false assumptions arose (Reichers, *et al.*, 1997), causing rank-and-file employees to question whether change was needed, if it would prevent further layoffs, and if it had to be done so quickly. Rumours and exclusion led to cynicism due to the "flavor-of-the-month" (Senge, *et al.*, 1999) style of past changes. Sixty-five percent of interviewed rank-and-file employees expressed cynicism, especially given UFS's historic disinclination for development. Howard, a second year rank-and-file employee said:

There is a gap...the firm needs a mentoring program. We also need formal training and assessments on leveraging strengths and weaknesses. Otherwise, there is change, but what is the point of it? There are still people that don't know what they are doing and just increase the problems going on here...Why should I change while these guys are just doing the same thing and keeping their heads down? I mean, I carry my weight, but what about everybody else?

Cynicism led to disempowerment as rank-and-file employees' suggestions were not considered by executives. Examples were macro protocol changes such as skill development workshops and courses, open access to Human Resources to address career concerns, and reimbursements for employees returning to school. Consequently, employees started to ignore the change, waiting for executives to focus elsewhere (Senge, *et al.*, 1999). Given executives' closed system, they were largely unaware of this disempowerment and cynicism, causing little to be done to address these feelings. By not addressing this cynicism and disempowerment, resistance arose (Reichers, *et al.*, 1997). Yet, most rank-and-file employees did not oppose the change itself; in fact, many of those interviewed expressed agreement with the new mission and strategy, but were frustrated at being marginalized from the process, as shown in the mission and strategy rows of figure two.

To combat being marginalized, rank-and-file employees turned to middle managers who they expected to communicate with executives on their behalf. When support did not materialize or was rebuffed by executives, rank-and-file employees became resentful of middle managers. Data shows that forty-five percent of rank-and-file employees interviewed saw middle managers as

passive, irresponsible, and ineffective. In multiple interviews, rank-and-file employees indicated that, while managers verbally supported the new mission, they failed to tangibly support it. Thus, executive rebuffing of middle managers exacerbated rank-and-file disempowerment.

With rank-and-file and executive systems increasingly polarized, the change initiative ossified (Katz and Kahn, 1978). Each level was inclined to adhere to its respective area of comfort (executives at macro and rank-and-file at micro). Unfortunately, middle managers, who had the potential to open up these systems and save the change, were disempowered, isolated, and impotent to influence the process, as exemplified in the protocols, skills, and tasks rows of figure two.

Disempowered Middle Managers

Existing between closed executive and rank-and-file systems, UFS's middle managers were well positioned to foster inter-level practices that could bolster interaction and help save the change; but once disempowered, middle managers assumed the traditional position of being constrained to executives' macro variables. As shown above, executives rebuffed middle managers who tried to champion strategic alternatives (Floyd and Wooldridge, 1994), making it clear that their role was to translate the strategy and mission to rank-and-file employees. Rather than building bridges between closed systems, middle managers were told to "sell" the change. As a middle manager stated, "The sense of hierarchy needs to be changed, executives have no time for us or our ideas." Another indicated, "I would like to communicate with executives for advice, but they aren't around."

Such isolation caused many middle managers to echo rank-and-file sentiments that the change was likely another "flavor-of-the-month" (Senge, *et al.*, 1999), especially as executives failed to share the rationale behind it. Evidence for this sentiment is seen in the structure and strategy rows of figure two. Supporting this notion, executives gave middle managers specific macro changes that they wanted to see, but there was almost no concrete information about how to implement them. As seen above, rejected by executives, some middle managers tried to synthesize information and facilitate adaptability in the rank-and-file system (Floyd and Wooldridge, 1994). Yet, without executive support, middle managers presented as disempowered and ineffective rather than as viable conduits for ideas and concerns. Attempts at such influence largely backfired, resulting in rank-and-file employees attributing their disempowerment and cynicism to middle managers.

In the face of rank-and-file resistance, middle managers became reluctant to voice their concerns, especially as UFS's culture demanded silence, even in the face of, rampant disfunction, unethical activities, and widespread layoffs. Organizations of silence arise in firms with strong hierarchy, low openness, and negative surroundings (Brown and Coupland, 2005), all of which existed at UFS. Closed systems also give rise to organizations of silence given their inclination to use secrecy to maintain control over variables (Katz and Kahn, 1978), a situation prevalent at UFS. Further, in line with Cascio's (2002) findings, middle managers were acutely aware that extensive layoffs had taken place and could occur again, undermining their inclination to voice their true feelings. Feelings of disempowerment encouraged middle managers to distance themselves from the closed executive and rank-and-file systems. As Mark, a third year middle manager states:

There are times when I walk in and just feel like I am beating my head against a brick wall. It is like, "Why can't we open up things between all employees?" Without this I really wonder if we will be able to change perceptions and change our culture. I guess they are all just looking over their shoulder and wondering when the next cuts are going to come in and if it is going to be them? I want to be able to reassure my guys, but we just don't have that type of relationship.

Another said, "We need support to get [rank-and-file employees] in the right mindset, we need help." Middle management resistance arose because, as similar to rank-and-file employees, while many saw the value of change they were resentful at being excluded from the process and rebuffed for trying to positively shape practices. With middle managers silenced and isolated, inertia settled in, eliminating any chance to prevent the closed systems from undermining the entire change.

The Discourse of Closed Systems

Frustration about inconsistencies between traditional rank-and-file micro needs/motivators and the new macro strategy/mission was exacerbated due to executive reinforcement of organizational silence (Higgs and Rowland, 2010). Approximately half-way through the change only forty-six percent of interviewed rank-and-file employees believed that the change was going to be effective, only fifty-one percent felt that they knew the micro skills and tasks needed for the change, and only fifty-five percent thought that their middle manager had effectively facilitated the process.

Just as rank-and-file employees were influenced by unfound assumptions, executives proceeded based on an incorrect assumption that employees' needs centered on losing financial benefits; yet,

without middle managers empowered to validate these assumptions (Detert and Trevino, 2010), it was never revealed that employee needs actually focused on keeping their jobs. False assumptions mixed with poor interaction resulted in a cyclical path of dysfunction (Schwandt, 2008). Macro executive change led to rank-and-file micro insulation, fostering suspicion of executive macro variables, spreading disempowerment to middle managers, undermining macro change, resulting in executives withdrawing further to firm up their macro variables, restarting the cycle. Employees exacerbated this cycle by assuming that the micro and macro variables were incompatible which, even when untrue, intensified problems given the prevalence of closed systems (Katz and Kahn, 1978). Janice, a middle manager at UFS for five years typified this feeling, stating that:

There isn't a real strong commitment on the part of the firm to make this happen. I am just being told over and over again that my employees just need to be comfortable that this bonus system thing will alleviate the problems here. But, there are no tangible signs of assurance and everybody is really concerned. We want to believe what the execs are saying, our jobs depend on it, but there is just this concern that they are more worried about their own jobs...trust just isn't there.

Fortunately, these currently powerless middle managers have the ability to break cyclical flows of dysfunction. Through cultivating discourse, empowered middle managers can lay the foundation for cascading empowerment by: bridging closed systems, unearthing incorrect assumptions, and replacing them with a shared articulated core (Schwandt, 2008). We now present empowering interface to describe a practice middle managers can harness to potentially disrupt the dysfunctional systems that underlie failed organizational change.

Discussion

Middle Management and Inertia

As shown above, disempowered employees can play a central role in change failure. In the case of UFS, disempowered middle managers were expected to fill a critical interstitial role that, when unfilled, led to dysfunction and failure. In interviews prior to UFS being bought-out, employees revealed their opinion about how failure could have been avoided. Through these conversations and an exploration of the data, we uncovered “empowering interface”, a construct that manifests when middle managers feel comfortable generating processes to facilitate discourse between closed executives and rank-and-file systems, enabling micro and macro variables to change, and cascading empowerment across the firm. Empowering interface is represented in figure three:

INSERT FIGURE 3 ABOUT HERE

Empowering interface occurs when middle managers use their interstitial role to integrate closed systems, ensuring micro and macro variables enhance rather than undermine one another. As few models examine change through systems (Goodman and Rousseau, 2004), empowering interface is often overlooked. Empowering interface is critical as many firms find that, while policy changes are made (macro), rank-and-file employees don't take advantage of them (micro). Alternatively, events can occur that foster individual rank-and-file change (micro), but are not transferable on a broad scale (macro). Empowering interface is a process that opens systems to foster lasting change.

If, as seen at UFS, executives embody macro change and rank-and-file employees embody micro change, then middle managers embody interface. By using discourse to bridge the executive and rank-and-file systems, middle managers promote empowering interface. As evidenced by the few departments with middle-managers who valued discourse, empowering interface can encourage employees to think beyond the macro and micro levels of change they are predisposed to. For example, Sarah, a third year rank-and-file employee relayed a heartfelt story about her induction to UFS's change. She shared that, while she was allowed to attend initial orientation procedures, she was left overwhelmed; she recalled, "I was asked to attend so many back-to-back meetings and fill in tons of forms. Then, they just let me loose but I had no idea what I was actually supposed to be doing or how I was going to get it done." After a few days of work adding up, she asked her middle manager for help and it became apparent just how confused she was:

He has been with the company for seven or eight years and he is great. When he noticed I was having trouble, we would have weekly 'coffee talks' where we would meet and review what was most important and why from UFS's perspective. Having this context helped me to anticipate potential issues. I did start to mention these issues during our coffee time. Funny, but he actually listened to what I had to say and sometimes even adjusted project plans or team schedules based on our talks. Sometimes it felt like he used the time with me to review the reasoning and steps behind the exec's plans... This was a lifesaver and made a huge difference in my development! I literally don't know what I would have done otherwise – continue to be lost I guess.

To foster empowering interface, middle managers must use discourse, adjusting both macro and micro structures to enhance change, rather than merely reconciling established variables. By encouraging discourse, the closed-systems that can dominate change, as seen at UFS, begin to open up. Middle managers use of empowering interface can be depicted in figure four:

INSERT FIGURE 4 ABOUT HERE

Given the unique change discourses that arise (Detert and Trevino, 2010), executives and rank-and-file employees are represented in figure four as closed systems. As closed systems protect established information, environmental inputs are often ignored as sources of action in favour of traditional routines. In line with Katz and Kahn (1978), closed systems rely on the specified roles dominant therein (i.e., executive or rank-and-file), resulting in a myopia that cultivates discourse unique to the system. UFS's middle managers expressed frustration at an inability to transcend this system. Mark, a third year middle manager and eleven year employee at UFS stated:

With all of this change going on, you would think that [rank-and-file employees] would listen. I am really trying to help them, but I don't have all day to sit around and coach them. The truth of the matter is that if my job doesn't get done, we all get fired and the execs don't have time to sit around and philosophize about 'why change now' and listen to every little complaint. I mean, based on what I have heard, if I take the time to trek all the way over to [executive headquarters in] the middle of town to see them, they probably won't even meet with me. Now I just don't know what else to do, I know my employees don't want to move with this change, but they also don't seem to understand that you have to evolve with the times if you want to grow.

Similarly, three out of five middle managers interviewed at the end of the study felt that UFS had not implemented any tangible macro change. While middle managers stated that little had been accomplished, none felt empowered to solve the problem. One middle manager typified this feeling, stating, "There isn't a strong commitment by the firm to accomplish this together. We have our marching orders and are supposed to stick to them – whether they are right or not." While closed systems allow members to derive comfort from regularity, they undermine broader change, which will struggle given minimal information sharing (Brown and Coupland, 2005), reduced environmental awareness (Schwandt, 2008), and increased cynicism (Reichers, *et al.*, 1997).

If middle managers do not bridge closed systems, discourses become progressively differentiated, often with executives promoting epic tales and rank-and-files promoting tragic tales (Brown and Humphreys, 2003). For example, an executive commented half-way through the change that, “These are tough times, but we will triumph...UFS will keep going” while a rank-and-file stated, “What can we do, this is a sinking ship and nobody really thinks any of us will have jobs in a year’s time.” With such different discourses it is increasingly difficult to align the systems, causing cynicism (Reichers, *et al.*, 1997) and facilitating the insulation of critical variables (Katz and Kahn, 1978). Entrenched variables generate conflict as macro changes rarely avoid impacting micro-variables to some degree (Cataldo, *et al.*, 2009). Thus, when middle managers can’t bridge systems, a change will likely generate the resistance and failure widely noted (Woodward and Hendry, 2004). While it can be effective for middle managers to address the constructs underlying resistance, evidence at UFS indicates it is more effective to address the systems themselves.

Middle managers spread empowerment by fostering practices that shift the macro organizational system, enabling micro-activities to enhance interface and preventing resistance from destroying change (Higgs and Rowland, 2010). A central process entails integrating the unique executive and rank-and-file discourses. In this vein, empowering interface builds on paradoxical inquiry (Luscher and Lewis, 2008) by exploring why contradictions dominate change. The presence of paradoxes, according to empowering interface, is rooted in out-of-sync macro and micro variables, an issue that middle managers are well positioned to address. Middle managers’ creation of shared discourse fosters the self-organization that bridges closed systems which, when unaddressed, undermines the freedom to act (Burnes, 2005), potentially causing organizational death. We believe that the absence of empowering interface has doomed many initiatives, such as UFS’s attempted change.

With this in mind, it is essential to describe how empowering interface can be used to avoid organizational failures, as seen in the case of UFS.

Functional Change through Empowering Interface

At UFS, macro initiatives designed solely by executives spread disempowerment and cultivated resistance. Rather than advancing the supportive macro culture and climate necessary for positive change, exclusion fostered dysfunction (Burnes and James, 1995). As opposed to those at UFS, empowered middle managers can cross systems, revealing shared discourse (Detert and Trevino,

2010), promoting information sharing, and generating the feelings of safety and support that create empowering interface. It must again be stressed that empowerment does not come from a specific initiative or variable (Collins, 1999), it arises from a supportive social context (Lincoln, *et al.*, 2002).

Given the importance of middle managers' position; prior to beginning an initiative, the context must be assessed and adjusted to promote involvement. As involvement entails relinquishing control, it implies executive trust and openness (Hope, 2010), promoting middle management empowerment (Gomez and Rosen, 2001). Most interviewed UFS middle managers stated that they had not been involved at all. Participation engenders feelings of safety (Cataldo, *et al.*, 2009), that facilitate commitment and allow middle managerial traversing of systems to cultivate empowering interface. Without safety, middle managers can revert to silence (Detert and Trevino, 2010) which prevents the system bridging that cascades empowerment to other levels of the organization.

Especially in dysfunctional organizations, such as UFS, a safe context must be fostered. While the process of cultivating organizational safety has been addressed elsewhere (Cataldo, *et al.*, 2009; Edmondson, 1999), a relevant approach for a change context will be raised. Engendering middle manager safety involves executive transparency about micro motivation and values (Detert and Trevino, 2010). Without openness, middle managers may be reluctant to pass on information due to misgivings about its veracity, leading to information asymmetries that promote the spread of rumours and false conjectures (Reichers, *et al.*, 1997). Macro displays of support also enhance middle managers' safety. Examples suggested by UFS middle managers included executives rewarding managers who build bridges and incorporating promotion as a criterion in the performance appraisal scheme. The latter example would not only help rank-and-file employees receive promotions, but it would also reward managers for each rank-and-file employee promoted.

A safe context fosters empowerment among middle managers, enabling them to open the closed systems through the exploration of shared discourse, cascading empowerment to other levels of the firm. Such sharing emphasizes that the executive system is open to insight and feedback, an empowering realization. Based upon the literature on organizational change and feedback from employees at UFS, the following actions are suggested for middle managers trying to avoid change failure through the promotion of empowering interface:

INSERT FIGURE 5 ABOUT HERE

Show the urgent context. Empowered middle managers must make inroads into the rank-and-file system by exploring the urgent context (Kotter, 1995). As the staff directly involved in day-to-day functioning, rank-and-file feedback is essential when exploring if a change is truly critical for firm survival. At UFS, the rollout of the change plan was described as disorganized and vague by the majority of middle managers and rank-and-file employees. The confused response of employees was best captured by a four year rank-and-file employee named Laura:

We knew [executives] wanted change. We had a big group meeting which kind of told us what would be happening and vague follow-up e-mails were sent out by execs about the change...I never knew what I was supposed to do exactly... I was already doing my best to meet UFS's high expectations. I was, and still am, working late to make sure my projects are done on time too. So how am I supposed to do anything different? I just keep moving forward as I always have. Honestly, I think this process is more for the executives and middle managers to work on than us.

Given the meetings held and e-mails sent, UFS executives had an opportunity to generate urgency and clarity around the change. Yet, the unidirectional communication left employees not only unsure of their role in the change but, more importantly, questioning whether it was necessary.

As executives often lack the time to interact with all rank-and-file employees, middle managers are critical in this role. As shown at UFS, when a change rationale is not established, employees' safety is reduced as traditional macro variables are removed and rumours circulate. If middle managers are not empowered to promote discourse, their own cynicism can colour rank-and-file interaction (Reichers, et al., 1997). It is crucial to stress that resistance rooted in incongruity, suspicion, and disempowerment should be explored before the change begins (Burnes and James, 1995) as, when articulated, it can improve the change and, when unarticulated, it can facilitate closed systems.

Open the door to collaboration. While executives maximize control by retaining the final say when middle managers implement strategy, champion alternatives, synthesize information, and facilitate adaptability (Floyd and Wooldridge, 1994); UFS's struggle indicates that middle managers must be empowered beyond just filling a conduit role. When executives must approve everything, it delays

the change process, disempowering middle managers from establishing the linkages that open systems, and leaving rank-and-file employees concerned about their ability to impact the process. When asked if they shared their thoughts with executives, the majority of rank-and-file interviewees reported this was just not done. Janet, a rank-and-file employee in her eighth year at UFS noted:

We are supposed to work through our middle managers, but my manager doesn't seem like he is going to express his own concerns let alone mine. I go into his office and tell him that I have been here for many, many years and the executives should listen to what I have to say, but he won't help me. So, even though I have things to say, I can't and that is horrible. I have been with this company a long time, I have seen all sorts of changes come and go and I want to see UFS do well. I have spent too much time and effort here not to care. I wish he would lift the barrier ... or at least if there was some way I could give feedback so I could tell people what I think. I want to help.

As the above quote shows, drawing on the expertise of veteran employees is one way that middle managers can begin to foster collaboration. As a seminal step to transcending systems, middle managers should be allowed to facilitate rank-and-file employees' ability to influence the change. As seen at UFS, without power, middle managers can be seen as mere extensions of executives, spreading disempowerment to the rank-and-file level. Similar to the discussion of middle managers, this lack of trust limits involvement and promotes a closed system.

Building on Janet's quote, several other rank-and-file employees at UFS commented that they would have had more faith in the change if their ideas had been considered. As one rank-and-file employee stated, "There should be a process in place for me to give feedback and see it put into place." Participation is critical as rank-and-file employees often have unique insights. Not only does involvement ensure that the mission is translated into viable strategies, effective structures, and coherent protocols, but it also prevents the cynicism that closes rank-and-file systems. By using participation to open potentially closed systems, middle managers lead their organization to the participation that has been consistently found to enhance acceptance (Cascio, 2002).

Involve employees in the process. The aforementioned collaboration must also enable employees to play a direct role in the process. A rank-and-file employee at UFS typified this desire for involvement, stating, "Whether an organization is in good times or bad, employees need a sense of community and a forum to bring them together; they can get isolated in tough times and these are

tough times”. Reinforcing this quote many of UFS’s rank-and-file employees voiced a desire to know more about the change and experienced feelings of isolation. While often blamed for this isolation, middle managers felt similarly. Joe, a fifth year middle manager, recalled approaching his superior after a meeting. He explained that he agreed with the importance of the change and offered to run a focus group to provide direct feedback about the change from rank-and file-employees. His supervisor said that this idea would be considered but Joe never heard anything further, leaving him feeling cynical about the change, a sentiment his superior echoed.

Once the change has been explored by the rank-and-file system, relevant micro variables should be raised (i.e., tasks, skills, and practices). Empowered middle managers should work directly with rank-and-file employees, cascading empowerment by deriving a mutually acceptable action plan (Kotter, 1995). As middle managers and rank-and-file employees live with the change on a daily basis, it is again disempowering to force executive approval on all aspects of the process. Showing trust in employees allows executives to demonstrate their commitment to functionality and reasonable change, leading to increased support and creativity (Detert and Trevino, 2010).

Specifically address micro needs. The discussion of process should lead to a conversation in the rank-and-file system about content (Burke and Litwin, 1992); in particular, micro needs. Need disclosure establishes transparency and openness, bolstering feelings of empowerment (Gomez and Rosen, 2001) and assuring rank-and-file employees that their micro needs will be addressed. Middle managers should also be empowered to integrate the rank-and-file and executive systems, raising executive micro needs to prompt the disclosures that foster trust and bring the systems into line. As Paul, a six year employee and second year middle manager, shared:

What this change needs is a clear roadmap, not vague memos. We don’t need outsiders coming in and telling us vague stories of what will be done. Instead, we need to know about specifically what we are supposed to do from one day to the next, what our roles are, and why they are important. We need to get and give continuous feedback. I know that I would have a greater piece of mind about this change if I knew some specifics about what to do in this process... then I could talk to my employees and tell them confidently what they need to do too. If we all knew, then we would not be so demotivated, frustrated, and confused...I think there is just a need to feel like we will be taken care of, not just discarded if things continue to go south.

Clarifying micro needs promotes constant involvement and interaction. In this process, employees work across levels to ensure they all perceive clear direction and accomplishable goals. The resulting effect further channels dialogue across systems and narrows information asymmetries.

As seen at UFS, without mutual disclosure, organizations can fall into the silence (Brown and Coupland, 2005) and stratified discourse (Dixon and Day, 2010) that reinforce cynicism and resistance (Reichers, *et al.*, 1997). Disclosure cultivates the supportive macro climate and culture that prevents dysfunctional changes and develops the psychological safety critical to ensure the internalization of change (Edmondson, 1999).

Create tangible signs of support. To show that middle managers have the power to alter systems, macro structures and protocols should be adjusted based on feedback. At UFS one viable macro idea voiced by George, a third year rank-and-file employee, was to create a career development department that would provide a fully staffed macro structure to design and implement development policies and programs. As George stated:

I told Steve [his middle manager] that I had been here for three years and didn't know what my options were. Since UFS was undergoing so many changes, I thought having a career development department would be great because I would automatically know who to talk to. Right now, I don't have any support beyond Steve and while he does help me, his time is limited. So, Steve took my idea to his boss and it turns out that the company doesn't have the money... but they are going to have HR create a 'career pathing guidebook' so at least we know what options are available beyond word of mouth. It's pretty exciting to see my idea become a reality. I feel really rewarded that Steve supports me enough to not only hear ideas but to actually do something about the good ones.

While creating a new department was not possible given UFS's financial problems, George clearly felt rewarded by the tangible creation of a career pathing guidebook. Displaying tangible protocols and structures reinforce middle managers' ability to transcend systems and executives' micro values for collaboration and support. Tangible support also further facilitates the evolution of a shared change discourse, promoting cross-level inclusion and empowerment. Visible support thus illuminates Kotter's (1995) well-known idea of small wins from a systemic perspective.

Continued commitment to micro needs. Once middle managers have integrated the rank-and-file and executive systems, they must sustain this openness. In particular, UFS employees indicated

that it is critical for middle managers' to ensure that employees don't get overwhelmed. Centrally, middle managers must continue to provide visible commitment to rank-and-file micro needs throughout the process. If micro needs are ignored, a closed rank-and-file system can evolve to prevent further erosion of needs. This need is exemplified through the story of Bob, a rank-and-file employee for the past two years who said the following during a mid-change interview:

Believe it or not, I was actually excited about this change a few months ago. Things had become really monotonous in my job and I thought this change would shake things up for the better. It would be a new challenge for me. If nothing else, we were told that it would strengthen UFS and allow us to keep our jobs. So, I shared my excitement with my manager and he began to give me the 'inside scoop' about what was happening at the managerial meetings. It was great because I felt like I actually knew what was going on then, but something must have gone wrong because there are less and less of those meetings now. I think the last one was over a month ago. The excitement has faded and my routine is the same as before...I'm not sure where all of this is going to leave us ... if this change doesn't work, will UFS fail, or just particular departments?

When middle managers are not empowered to enact continued displays of commitment all of their work can quickly be undone as the systems they tried so hard to open close. As seen at UFS, a lack of commitment can cause systems to revert to widespread cynicism and rumours. Such rumours foster narratives leading to the creation of tragic discourses that further disempower rank-and-file employees and separate them from executives (Brown and Humphreys, 2003).

Use the power of empowering interface. While closed systems can cause a change to fail, open systems can enhance it. At UFS, rank-and-file employees with middle managers that facilitated discourse about the new mission and strategy were more likely to support the change. The story of Ava, a first year rank-and-file employee reveals how initial reticence regarding the change can be allayed by middle managers. During the initial round of interviews, she said:

... I was ready to leave. I had been at a multi-national organization for years prior to coming to UFS. I enjoyed it there until they had to restructure and consolidate departments. Change was constant and the process was exhausting. I was never able to get my real work done because I kept getting more and more to do that wasn't part of my job. I didn't know what was coming next. It was a nightmare ... I told Mike [her boss] about my past experiences and that if it all started again at UFS I would look for a new job. He encouraged me to stay with UFS and at least see how things would be laid out before moving forward with such a decision. He said he would look out for me and he has.

He's kept me updated on the changes and I haven't received much additional work over the past four months. So, perhaps this change won't be bad. I am not as worried now because I know I have Mike protecting the team but, of course, the jury is still out. The change process isn't done yet.

Similarly, collaborative middle managers at UFS were reported as creating tangible structural and protocol changes based on rank-and-file suggestions. Collaboration also extended in some cases to addressing rank-and-file micro needs. Some departments did empower rank-and-file employees to contribute to a shared discourse with their middle managers. Supportive middle managers at UFS showed that positive interface between macro mission, structures, and protocols and micro needs, values, and motivators can open closed systems and generate sustainable local change.

The case of UFS underlines an important point, empowerment is not about amassing control, it entails fostering the social environs that maximize freedom of action and discourse (Collins, 1999). Middle managers should be able to impact macro variables as they cascade across systems and impact micro variables. At UFS, rather than allow middle managers to impact their local system, the reward scheme was insulated against discourse from other levels, a demotivating realization for non-executives. Middle managers must be empowered to foster the discussions that cultivate wider macro change or to directly impact macro variables. Our argument contributes to Floyd and Woodbridge's (1994) model to provide increased middle managerial empowerment across multiple organizational systems. Empowering interface also contrasts Katz and Kahn's (1978) traditional contention that executives must control protocol and structures (p. 58); as such control precludes empowerment from cascading through the firm.

Empowered middle managers are in a key position, as their ability to open both rank-and-file as well as executive systems is critical to the cultivation of a shared change discourse, which fosters empowering interface. When empowering interface is created between executive and rank-and-file micro needs and values, both sides feel they have more motivation to support the change. Such shared micro variables cascade through the organization and foster the positive culture and climate that help avoid the change failures so widely noted in the literature (i.e. Cascio, 2002).

Conclusion

The findings of this study show that the social notion of empowerment (Collins, 1999) can be integrated into middle managerial change behaviour (Floyd and Wooldridge, 1994). Social

empowerment is critical for middle managers involved in change as it helps ensure that interaction will cross systems, resulting in cascading empowerment that can prevent change failure. Our findings locate empowering interface in the evolution of shared discourse across organizational systems. By transcending systems, empowering interface addresses the closed systems that can render a change dysfunctional. It is through empowered middle managers striving to bolster involvement, create a safe context, and provide concrete displays of support that closed systems can be converted to the open and empowered environment that enables sustainable change.

UFS was presented as an example of what can happen when middle managers lack executive support and power to gain rank-and-file involvement. In such a situation, middle managers are often rendered incapable of fostering empowering interface, cultivating cascading empowerment, and impacting the change in any fundamental way. When this happens, it is far more likely that closed executive and rank-and-file systems will evolve to protect cherished variables, leading to the creation of stratified discourses that amalgamate into a dysfunctional culture and climate. As seen at UFS, the inability to address closed systems can have drastic consequences on the success of a change as well as the future viability of the organization.

As this research is based on a single-site case study, caution must be exercised when attempting to generalize from the above material. However, the findings from this study reinforce much of the literature on middle management (Floyd and Wooldridge, 1994), empowerment (Lincoln, *et al.*, 2002), and systems change (Katz and Kahn, 1978). This study also bolsters previous research on key change concepts such as agency (Caldwell, 2003), complexity (Burnes, 2005), cynicism (Reichers, *et al.*, 1997), discourse (Brown and Coupland, 2005; Brown and Humphreys, 2003), empowerment (Collins, 1999), middle management (Hope, 2010), and psychological safety (Edmondson, 1999), connecting them through open and closed change systems. It must also be stressed that, as raised by Sandberg and Tsoukas (2011), empowering interface's meaning will shift as it is put into practice in varying contexts. Therefore, we hope that empowering interface will encourage middle managers, who are all too often portrayed as only able to shape discourse rather than act as a lynchpin, to transcend their own systems and render change alterable.

It is hoped that this study will promote several areas of future research. First, while this article integrates open and closed systems into the field of managerial empowerment, this relationship

should be expanded through the use of complex adaptive systems (Burnes, 2005). Researchers are encouraged to not only monitor the systems arising during change, as outlined in this paper, but to explore their adaptability throughout the process. Second, as this piece presents a case study in which a firm failed to cultivate empowering interface, researchers are encouraged to explore cases where empowering interface was successfully cultivated. In so doing, researchers can verify the derived context that facilitates empowering interface. Third, it is hoped that this study will motivate researchers to continue using the practical rationality approach (Sandberg and Tsoukas, 2011) to build models and concepts that cross the research-practice divide. Fourth, while a case study is effective at capturing the interaction of macro and micro variables, it can obscure the impact of individual differences (Creswell, 2007). Given the limited exploration of how individual variables impact receptivity to empowerment (Lincoln, *et al.*, 2002), researchers are encouraged to further delineate the interaction between micro-variables and empowerment.

While recent years have seen middle managers increasingly involved in the change process, more must be done to ensure that they reach a level of empowerment that prevents the generation of closed systems, as seen at UFS. By facilitating a context conducive to the creation of empowering interface, the same constructs cited as leading to change failure can foster cascading empowerment. It is hoped that the presentation of empowering interface helps to uncover the roots of the troubling finding that 75% of change initiatives fail to make an impact (Smith, 2002).

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FIGURES

Figure 1: Macro and Micro Change Variables

MACRO VARIABLES

- **Mission:** The articulated overall purpose of the organization, typically formalized through a mission statement.
- **Strategy:** The concrete means by which to implement the mission, articulating specific goals and how to achieve them in the future.
- **Structure:** The overarching configuration of the organization (i.e. its hierarchy, span of control), which can be tacit or explicit.
- **Protocols:** The specific policies created to support the overall organizational structure (i.e. human resource development, mentoring, weekly meetings).
- **Climate:** The feel of the organization, encompassing interpersonal communication, organizational layout, and treatment of external individuals.
- **Culture:** The largely implicit result of amalgamating the organization's mission, strategy structure, protocol, and climate which yields an overall employee mindset.

MICRO VARIABLES

- **Needs:** Imbalances in an individual's physiology or psychology that encourage action designed to satisfy them.
- **Motivation:** The desires and wants that convince an individual to commit sustained time and effort towards completing a task or goal.
- **Tasks:** Specific units of work assigned to a particular employee.
- **Skills:** Abilities that individuals possess through experience or training allowing them to succeed at performing assigned tasks.
- **Practices:** Certain sets of actions that function together to achieve a particular task, often becoming heavily routinized within an individual.
- **Values:** Personalized convictions and beliefs about whether certain actions are appropriate and ethical.

Figure 2: Macro and Micro Change Variables at UFS

	Rank-and-File	Middle Managers	Executives
Structure	I don't even know what this change is about, let alone what is out there to help me. I don't think anything is really in place.	Where is the support structure for us? We are pretty much on our own to fend for ourselves and address all these concerns.	We have plenty of structures in place to help this change, such as mentoring. Employees just need to take advantage of them.
Culture	We need a change culture and it just doesn't exist. Right now people are not encouraged to develop. We don't even have communication.	I guess I can understand why people are really ambivalent, there isn't much of a culture to support any real change here.	A change in mentality has to occur. As a firm we are getting used to change, it's about how much can you handle and how frequent it is.
Mission	The company says the right things about what is happening, but I don't know if they are actually going to do what they say.	I guess the mission is to change things, but there is not clarity about what that really means and how we are supposed to do this.	Our mission is explicit, it surprises me that employees are still here that don't know it. Sometimes I wonder what managers are doing.
Strategy	We need to be involved, there needs to be more discussions about what is going to happen. What about our input?	At times I wonder if there really is a strategy about how to move things forward. There wasn't a point when it was all clear what was happening.	We have very specific goals that have been articulated, but we like to give freedom about how to reach those goals to employees.
Climate	There is no community here. We have no community events and no reason to work together beyond getting paid.	There appears to be a disconnect, but that is typical of UFS, there is not much communication and many of us don't really get along.	Among the employees there is a strong climate and they are supportive, but managers remain nervous and uncertain.
Protocols	You have to have a goal and a sense of how to measure it. We don't know if we're being evaluated. Where's the checks and balances?	We need to know how to handle this change. Where are the benchmarks to move us forward? How do we know what to do?	Processes aren't being clearly articulated, perhaps managers are just feeling too overworked and overstressed to do this effectively.
Needs	I need to develop my career and ensure that I still have a job, that is really what I need. As long as that is taken care of then I am fine.	We need more people who are committed to making this thing work and thinking about what will help all of us rather than just themselves.	Employees are hungry to develop and it's at the top of their minds. As long as we address these needs they'll be happy, but managers are less clear.
Skills	I don't even feel comfortable using the skills that I have in the changed environment. I am not sure if they are even relevant.	We need management training to get people in the mindset that can facilitate development. We managers need time.	Employees need to have practical tools they can use. We are providing opportunities for this, but a lot of growing must happen.
Motivation	My new job responsibilities don't look like they will match the interests that I have. Why should I give up what I want to help UFS?	Why aren't we encouraged to change things? Where are the incentives to make these changes and fight these battles?	Managers are not always proactive about getting involved and we are working out how to deal with that.
Practices	I feel like I am being told my old routines won't work anymore, but I don't know how to develop new ones	We are told that we need to be more supportive during the change, but how do we actually do that?	We need to grow formal programs, create assessments on leveraging strengths/dealing with weaknesses. This just needs to be more explicit.
Tasks	I need more days like I had today where it is clear what I am doing and can keep myself busy moving things forward.	I still don't even know what it is that I am meant to be doing to help UFS. Other than broad language, what am I actually supposed to do?	For day-to-day operations we like to provide guidelines, but allow employees to figure out what works best, they know better than us.
Values	I don't know...this may just be a flavor of the month type thing, why should I really alter myself for it...we have seen this before.	It is important to me to see UFS succeed and to be a part of it, but I don't know if what we are doing is going to have any impact.	I think UFS has been very good to all of us that work here, and employees just need to be willing to give back right now.

Figure 3: A Model of Empowering Interface

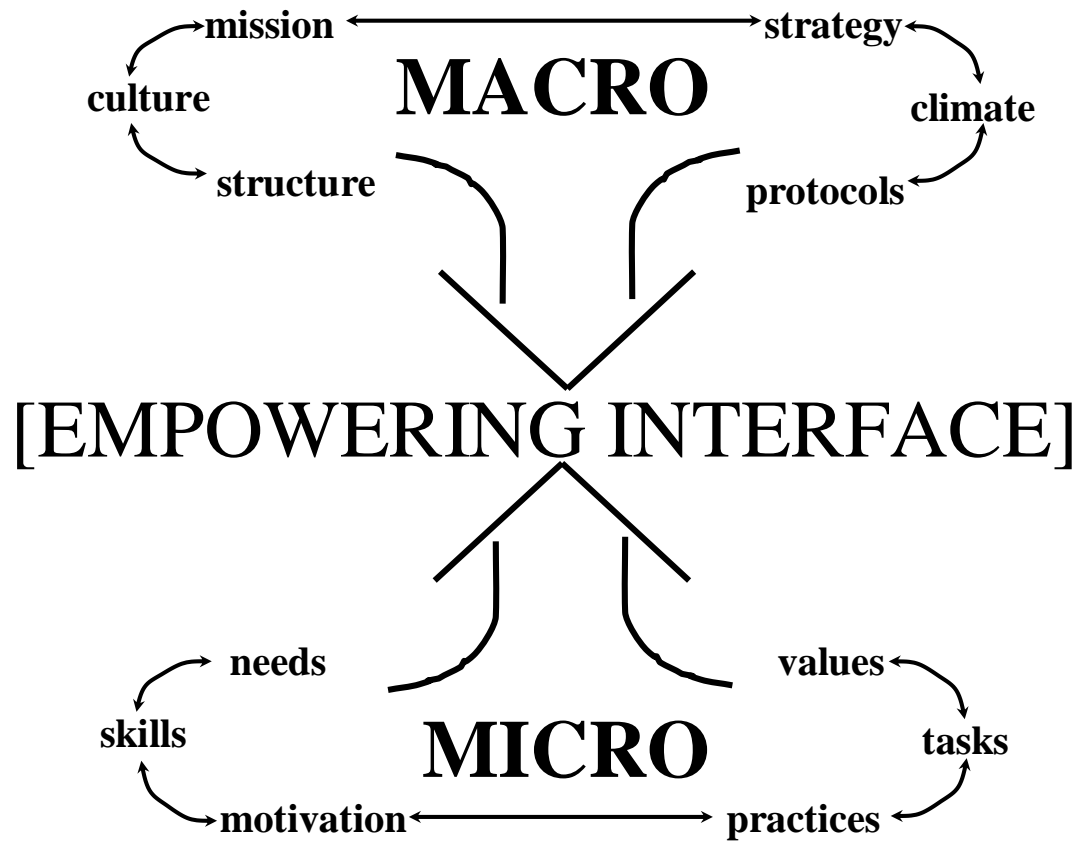


Figure 4: Middle Managers as Empowering Interface Facilitators

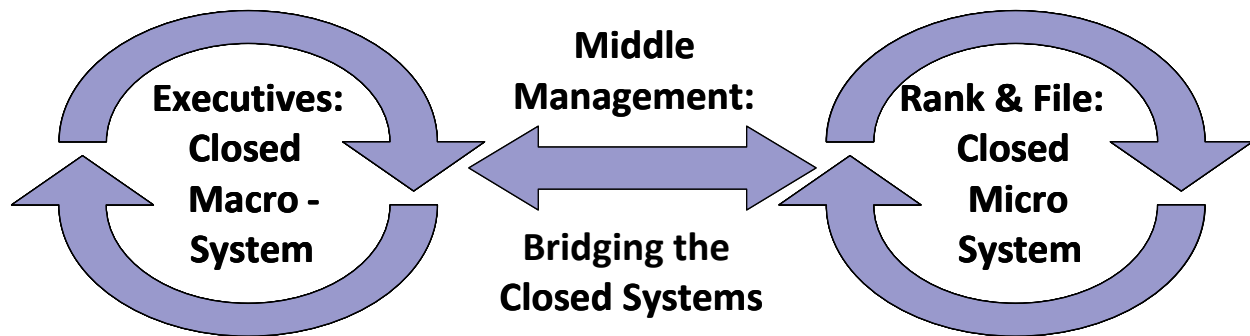


Figure 5: Creating a Context Conducive to Empowering Interface

